

410-962-4436

FOR IMMEDIATE RELEASE

February 16, 2011

MIKULSKI, CARDIN ANNOUNCE FEDERAL GRANT TO HELP DEVELOP INNOVATIVE HEALTH INSURANCE EXCHANGE IN **MARYLAND**

Funds will allow Maryland Department of Health and Mental Hygiene to develop model for health care exchange, a one-stop shop for health insurance;

Exchanges help make quality health care affordable, accessible to individuals, small businesses.

WASHINGTON, D.C. – U.S. Senators Benjamin L. Cardin and Barbara A. Mikulski (both D-Md.) today announced the U.S. Department of Health and Human Services (HHS) has awarded the Maryland Department of Health and Mental Hygiene (MDHMH) a highly competitive, \$6.2 million "Early Innovator" grant to further develop an Information Technology (IT) infrastructure model for the state's health care exchange. Exchanges provide access to affordable health care options to those who need them.

"The Health Care Exchanges are the key to health care reform because they will provide affordable insurance options to those who need to purchase health coverage," said Senator Cardin. "Maryland is a national leader in the health care field and this federal grant will provide our state with the resources it needs to develop a Health Exchange that is workable and affordable and that will meet the needs of Marylanders."

"I fought for health care reform to save and strengthen Medicare, increase the quality of care, and end the punitive practices of insurance companies," Senator Mikulski said. "Health care exchanges help meet these goals by helping Maryland families and small businesses afford care and achieve long-term health security. This grant recognizes Maryland's role as an innovation state, and I'm so proud we're at the forefront of putting health care reform in action."

Mandated by the Affordable Care Act of 2009 and set to go into effect in 2014, health care exchanges will help individuals and small employers buy affordable health insurance at competitive prices. By providing a place for one-stop shopping, exchanges will make purchasing health insurance easier and more accessible.

Last year, MDHMH held a successful pilot of a portion of Maryland's exchange program in Howard County. The program, known as Healthy Maryland One e-App, is used to determine users' eligibility for health care coverage and enroll them in the local or state health program of their choice. Using the "Early Innovator" grant funds, MDHMH will build on this program's success.

The grants, totaling more than \$124 million, were awarded to states that have already made considerable strides in preparing for the federally mandated exchanges. Using the funds, these Early Innovator states will continue to design and implement the infrastructure needed to operate the exchanges, committed to assuring that the technology they develop is reusable and transferable.

Last December the Maryland Congressional delegation showed support for MDHMH's grant application to HHS. In a letter to Secretary Kathleen Sebelius, the Delegation highlighted Maryland's innovative approach to health care exchanges and the state's readiness for implementation.

For full text of the letter, please go here: http://cardin.senate.gov/pdfs/sebelius2.pdf

###